

# **The Challenges of Europe-Africa Relations: An Agenda of Priorities**

## **INTERNATIONAL CONFERENCE**

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### **CAN UNEQUAL PARTNERSHIPS BE MUTUALLY BENEFICIAL?**

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#### **INTRODUCTION:**

Unequal partnerships within marriage can work if there is mutual attraction and good understanding. Between countries more is required. When colonial rule introduced European languages and culture into Africa, this did not establish the basis for equal relations between their countries. Relations between unequal countries can only be meaningful and sustainable where it is based on mutual benefit.

Africa needs dialogue and partnerships with Europe since it seeks economic benefits, while Europe continues to gain material benefits from its relations with Africa. However, there is no intrinsic obstacle to recognising that while the existing relationship is unequal, it is yet possible to identify mechanisms for building partnerships and even overcoming this imbalance.

The new consolidation of Europe and the strengthening of unity in Africa provide a solid basis for continent-to-continent cooperation. Such cooperation is also vital for enhancing multilateralism in decision making and ensuring global stability.

#### **1.0 ACKNOWLEDGING ASYMMETRY**

- 1.1 The initiative to advance the Europe-Africa dialogue is to be warmly welcomed. Whatever problems beset our troubled world, dialogue is an essential alternative to tension and conflict. It is also important to identify what is helpful and what is unhelpful in moving dialogue forward. In particular we should avoid postures based on “blame” and yet face squarely really existing problems and their origins.
- 1.2 Dialogue can become sterile and self-perpetuating if there is no serious analysis of the asymmetry in the existing international world order and the consequent tensions, and if no solutions based on universal values of fairness and justice are on the agenda. However we should avoid an approach based on sentimentality since this inevitably leads to proposals based on charity rather than the pursuit of mutually beneficial relations. We

must insist that cooperation should be long term and sustainable and that means that there must be strong structural element rather than ad hoc measures which can be easily reversed.

- 1.3 An Agenda for Priorities must be based on recognition of asymmetry and that any outcome of dialogue will involve managing an unequal partnership. The emergence of the African Union and NEPAD is partly a response to this asymmetry, as is also proposals for SOUTH-SOUTH economic cooperation, and indeed the emergence of the Group of 21 +. The Europe-Africa dialogue must examine the implications of intra-Africa regional cooperation as well as cooperation within the South. Do these factors constitute a threat to Europe? If so, can these relations be managed so that this is minimised. And, how can the polarisation at Cancun be managed in the interests of all? Or, are we facing the first hints of global economic coordination which excludes the North as well as Europe?
- 1.4 Fortunately, it is accepted by many in Europe that there has been insufficient attention paid to the problems of Africa on the one hand, and that there is an urgent need for new policies which will allow Africa's peoples to advance their own conditions of existence. The current process is rooted in the restructuring of the political systems of both Europe and Africa. But the initiative for Africa's renewal must belong firmly in Africa's hands.
- 1.5 It is noted that EU development aid amounts to 0.34% of GDP, which is below the target of 0.7% but nevertheless better than that of the US, the richest country in the world, which is a mere 0.12%. The EU provides \$29 billion, over half of global aid while the US provides \$ 12 billion (\$43 per US citizen). However this aid is not enough. Overall, per capita assistance to Africa has dropped by almost 40 % over the last decade. In a world of 6 billion people, one billion own 80% of global gross domestic product and one billion struggle to survive on less than a dollar a day. Most of these reside in Africa.
- 1.6 The evidence is in the data. Per capita income in real terms in 2000 was 10% lower than in 1980. If we compare the GNP per capita as a proportion of world GNP per capita between 1960 and 1999, we find that Sub Saharan Africa fell by 47 % while the First world rose by 35 %. For each dollar of net capital inflow into Africa from the rest of the world, a dollar and six cents flows out, or is lost, through the negative trade balance, debt servicing, profit remittances or capital outflows. In the words of James Wolfensohn, the world is "out of balance". The promise of \$3,715 billion for development assistance for Africa from the World Bank this year will help but will not turn the situation around.
- 1.7 Much is made of prevailing conflict and instability in Africa as the root cause of distress. However the lack of safe water and sanitation causes more deaths than armed conflict, showing that economic problems are more fundamental. Indeed without addressing socio-economic stagnation there can be no escape from instability. It must also be recognised that wars are not always without a basis in seeking control of valuable resources for private gain.

- 1.8 This bears out the main contention of this paper that existing programmes such as Cotonou, the Barcelona process, the Generalised System of Preferences, and even the EU- SA agreement are not adequate. Despite important concessions for many African exports to Europe, the unequal relations remain in place. Some economists argue that Sub-Saharan Africa, the poorest region of the world, was actually made worse off as a result of the last round of trade negotiations. The World Bank concedes that many African countries are worse off now than in the 1960's. Hence, we must critically examine our socio-economic priorities if the proposed Dialogue is to bear fruit.

## **2.0 MAJOR AREAS FOR INTERVENTION**

It is universally accepted that colonial and neo-colonial practices served Europe's material interests and led to major inequalities between Europe and Africa. Many of these unequal relations remain in place and have to be redressed if unequal relations are to be overcome. Unequal relations are manifested in

### **2.1 MATERIAL INTERESTS:**

Trade relations, investment, skills transfer, labour, and environment protection

### **2.2 SOCIAL RELATIONS**

Tourism, family relations, immigration, refugee flows.

### **2.3 POLITICAL/SECURITY ISSUES**

Multilateral political relations, conflict resolution, peace, confronting terrorism

### **2.4 HUMAN SOLIDARITY**

A hardheaded unsentimental approach to cooperation does not exclude notions of human solidarity. Under this heading we can include ODA, and non-governmental aid, support by volunteers, twinning, campaigning on human rights, trade union solidarity, political party cooperation, ideological debate, religious solidarity, and the effective blocking of monies derived from corruption by both African and European organisations and individuals.

### **2.5 INTERGROUP RELATIONS**

Whatever proposals emerge on EU-Africa cooperation at state level, space must always be created to inter-group relations and cooperation.

### **2.6 INTER-PARLIAMENTARY RELATIONS**

It is extraordinary how often Parliaments are omitted from discussions on dialogue despite the role of Parliaments in setting agendas internationally.

### 3.0 COMMON PRIORITIES AND CLEAR OBJECTIVES

- 3.1 There is a clear imperative to get away from platitudes and generalities. What are the objectives and priorities which can lead to measurable progress and which demonstrably serve the interests of both Europe and Africa ?
- 3.2 The most obvious areas for cooperation are trade, aid and external debt. It should be possible to discuss these areas without adopting a patronising positions such as “Africa must behave better with respect to governance then Europe will be more generous”. The majority of the beneficiaries of transfers also want good governance, indeed they are more concerned about good governance than observers at a distance. So we need to be very objective about such requirements and pay more attention to the mode of transfers than on lectures to corrupt regimes.
- 3.3 As to trade, unfortunately trade hit an impasse at Cancun which will not be resolved easily. Yet aid without trade relief, is inadequate. Pascal Lamy concedes that Sub-Saharan Africa has suffered a sharp deterioration in living standards over decades and its share of world trade has shrunk from 3 % in 1950 to less than 1 % now. Africa wants “a fishing rod not fish”. Since 45% of Africa’s foreign trade is with the EU, trade adjustment that goes beyond present concessions is fundamental. And that means attending to the massive agricultural support within the EU which makes African agricultural exports uncompetitive.
- 3.4 Without these measures, it is wrong to require structural adjustments in Africa such as opening up markets, liberalisation of the service sector, or even macroeconomic adjustments that will tighten the austerity screws on the economy which are already too severe in many instances.
- 3.5 We also require greater scrutiny of aid. It is in the interests of Europe that aid is not dysfunctional. Instead it should be efficient and effective. This is not always the case as numerous studies have shown. This can only be changed through donor-recipient dialogue involving all stakeholders and not merely the relevant officials. Aid should be based on a transfer of actual resources to the recipient country and not to personnel and companies from the donor country. It is important that aid is not seen as providing employment to Europeans on temporary transfer to Africa, or to providing jobs in European NGO’s. A joint review of aid on a multilateral basis is of the highest priority.
- 3.6 Debt relief has been canvassed ad nauseum. The current solution on offer, HIPC, is cumbersome, costly, and slow. It has taken many years of talk for only 5 countries to get irrevocable relief from debt servicing. Surely a new EU-Africa Dialogue can come up with a more effective proposal which will see speedy relief, and not just to the poorest countries. There is a spurious argument with respect to middle income countries of no debt relief without good governance, but it is clear that such pressures are not meaningful where governments are badly managed. Far more complex pressures are required to

restore good democratic practices. Many economists argue that Africa's decline began in the late 1970's in tandem with the global bifurcation of North and South. Until then, the new governments in post-independence Africa had performed quite well. So Africa's decline is attributed primarily to "structural and conjunctural processes of the global economy", rather than to poor leadership in Africa. We need a major, public dialogue on these issues – they cannot be settled in the closed confines of the G8, IMF and Paris Club.

- 3.7 The principal outcome of these measures must be poverty relief on a long- term trajectory. Poverty must be seen as a violation of human rights. Much has been said on this subject which requires no embellishment here. Suffice to say that the present situation is untenable, given the enormous inequalities between social groups and countries globally. Current EU development policy is said to be focused on poverty eradication, but this needs to be demonstrated rigorously.
- 3.8 Joseph Stiglitz argues that the present dynamics of globalisation are not working for many of the world's poor, nor for the stability of the global economy. If we are to move to a greater sense of solidarity globally, and a solid basis for EU-Africa partnership, the above issues need urgent and practical attention.

#### **4.0 THE PARTNERSHIPS OFFERED BY NEPAD**

- 4.1 While NEPAD is an initiative by African governments to install African ownership and leadership, it offers ample scope for broad partnerships within Africa and internationally. The organisational structure of NEPAD is as follows: NEPAD falls directly under the African Union Heads of State and Government Summit. The Summit has appointed an Implementation Committee (HSIC) which reports to the Summit. Then comes a NEPAD Steering Committee which oversees projects and programme development and it has a Secretariat which is currently based in South Africa. NEPAD is therefore not a formal separate Organ of the AU, but "an integrated socio-economic development framework for Africa".
- 4.2 Although the focus of NEPAD is on socio-economic matters, its vision and mission is very broad- to create conducive conditions for meaningful and sustainable development in Africa which encompasses overcoming poverty, growth and development, halting Africa's marginalisation, and empowering women. The priorities are establishing the conditions for peace and security, democracy and good governance, regional cooperation and integration, and capacity building. The mandate is very broad indeed.
- 4.3 Since NEPAD is conceived as a broad programme of sustainable development, it includes; (a) the African Peer Review Mechanism (APRM), facilitating infrastructure programmes for transport, energy, ICT, Water and Sanitation, (b) facilitating food security and agricultural development, (c) coordinating Africa's positions on market access, debt relief, and ODA reform, (d) monitoring the Millennium Development Goals in health and education.

4.4 A recent report (May 2003) by the African Development Bank reviews in considerable detail the implementation of the Infrastructure short-term action plan. For the first time it gives information on actual progress with NEPAD programmes and identifies areas of partnerships across Africa and with institutions abroad. Most importantly it identifies “flagship projects” which have the highest priority. These are:

- \* implementing the Yamoussoukro Decision (air traffic control)
- \* Facilitating road transport
- \* ICT policy and regulation at regional level
- \* Power pools
- \* Nile Basin initiative
- \* Greater Inga integrator study
- \* Regional linkages for energy
- \* Capacity building for regional Economic Communities (REC’s)
- \* West Africa Gas pipeline
- \* COMTEL

4.5 It may be useful to set out the institutions which will oversee these projects at regional level in Africa:

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|----------|---|
| 1 ECOWAS | Economic Community of West African States     |
| 2 ECCAS  | Economic Community of Central African States  |
| 3 IGAD   | Intergovernmental Authority on Development    |
| 4 EAC    | East African Community                        |
| 5 COMESA | Common Market for Eastern and Southern Africa |
| 6 SADC   | Southern Africa Development Community         |
| 7 UMA    | Union of Arab Maghreb                         |
| 8 ITAF   | Infrastructure Technical Assistance Facility  |

4.6 The African Development Bank study shows the extent to which infrastructure development is prioritised. It is clear that NEPAD believes that unless every aspect of communication and cooperation is vastly improved within regions and across the continent, development will remain piecemeal and fragmented.

4.7 To give a sense of the actual projects, we list the projects for ECCAS (one of the poorest regions): electricity networks, energy, capacity building, road transport and regulation, trade, one-stop border posts, railway networks, ports, air transport regulation, global navigation satellite system, transport recovery, telecommunications equipment manufacture, and ICT policy and regulation.

In detailing these projects, the AfDB lists the stage of development for each and the actual and potential sources of funding. It shows that there are many foreign partners already involved in practical implementation. However the NEPAD Secretariat and the APRM team keep insisting on analysis of Africa’s own revenue generation and funding capacity.

## 5 THE WAY FORWARD

- 5.1 The EU–Africa dialogue must be based on a recognition that we need global collective action for the enhancement of global public goods. Many of these have been listed above.
- 5.2 Many other issues require deeper analysis, such as the effect of the current international financial architecture and the constraining role of the IMF in Africa.
- 5.3 We need a well- funded think tank led by African intellectuals which will unpack these issues and propose remedies.
- 5.4 We also need to create a range of fora where Parliamentarians, experts, officials, and civil society representatives can examine concrete issues and identify solutions. These matters cannot be left to officials alone, nor to Summits. It is understood that Cotonou seeks a significant shift to partnering through political dialogue, but this should be inclusive.
- 5.5 It must also be recognised that existing economic agreements such as Cotonou, have had limited success in lifting Africa out of its stagnation or in reducing poverty. Some even argue that existing international arrangements are increasing polarisation and exacerbating poverty. The Least Developed Countries, especially in Africa are increasingly marginalized.
- 5.6 The fact that NEPAD is the socio-economic programme of the African Union and that it is now linked with the African Peer Review Mechanism (APRM) there is a sound basis for examining in very concrete form how EU-AU economic relations are to structured from now on.
- 5.7 We also need far greater clarity on what is meant by “Regionalism”. Some use the term for groups of states, others for the continent, others for even wider relations. Is it necessary for these to be common identities for regionalism to work ? Is the goal primarily for economic integration ? Or, can political-security considerations be the main motivation ? In either case, where does the EU-AU connection come in most obviously ?
- 5.8 We also need clarity on the possible contradictions between cooperation within a region, and liberalisation to open up globally. Which gets primacy, “open regionalism” or “developmental regionalism”? Or is it a matter of creating building blocks for global integration ? If so, is there room for regional cooperation with preferential provisions ? Does the EU favour regional integration among ACP countries in order to gain access to larger markets, or to facilitate developmental integration within a subregion ? What are the consequent effects of liberalisation ? Why does the EU favour the creation of free trade areas linking Europe’s economy to regional groupings of ACP countries? The evidence on the advantages needs to be publicly available. And will this reduce ACP dependence on exports of primary products ?

- 5.9 Is it realistic to argue that poor developing African countries can combine to realise economies of scale in production and/or trade ? What research is needed to demonstrate either case ?
- 5.10 Broadly constituted task groups, not only officials, should examine (a) the development of core techno-bureaucratic, managerial, technical and entrepreneurial skills in Africa, (b) the effective use of capital resources, (c) the mobilising of financial resources within Africa, (d) the facilitation of intra-regional trade in Africa, (e) manufacturing, processing and downstream enterprises within regions, (f) intra-regional trade and investment.

*To conclude.* There are many people of goodwill in Europe, within and outside of government institutions. Their goodwill is often frustrated in formal state-to-state negotiations, often creating a negative climate in Europe-African relations. The greatest challenge facing the proposed Dialogue is how to ensure the widest possible participation in order to allow space for those who can think beyond their immediate short-term self-interest as Europeans.

*Postscript*

The estimated population of Africa in 1995 was 580 million.

Of these:

291 million people had average incomes below one dollar a day in 1998  
124 million of those up to 39 years old were at risk of dying before 40.  
43 million children were stunted as a result of malnutrition in 1995  
205 million were without access to health services in 1990-5  
249 million were without safe drinking water in 1990-5  
More than 2 million infants died annually before reaching their first birthday  
139 million youths and adults were illiterate in 1995

(African Poverty at the Millennium, The World Bank 2001)